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SENATE BILL 226 By
Crutchfield

HOUSE BILL 1103
By Scroggs

AN ACT to amend Tennessee Code Annotated, Title 49, Chapter 4, Part 7, relative to the creation of a loan-scholarship program for Tennessee school system support personnel seeking licensure as a teacher.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Title 49, Chapter 4, Part 7, is amended by adding the following new, appropriately designated section:

49-4-707. Support personnel loan-scholarship program.

(a) The Tennessee Student Assistance Corporation shall administer a support personnel loan-scholarship program for talented Tennesseans who aspire to be teachers. Applicants for loan-scholarships must be employed by a Tennessee school system at the time of the application. Participation in the program at any one time shall be limited to ninety-six (96) qualified individuals, who shall apply in writing to the corporation for a scholarship covering the tuition of a higher education institution.

(1) Recipients must attend a higher education institution within the state, which institution must have an approved teacher education program as determined by the state board of education, or must enroll

initially in a two-year college program which has transfer agreements with an approved teacher education program in Tennessee;

(2) Recipients must pursue a baccalaureate degree program leading to licensure as a teacher;

(3) Each loan-scholarship awarded shall be in the amount of the tuition at the higher education institution attended by the applicant.

Scholarships shall be renewable by the corporation up to three (3) times, contingent upon satisfactory academic performance, as established by the corporation; and

(4)

(A) Recipients who become public school teachers in Tennessee shall receive forgiveness of the loan balance based on one (1) year's teaching service for each year the loan-scholarship was awarded.

(B) The corporation shall also forgive the loan if, within five (5) years after graduation, the recipient teaches for two (2) consecutive years at a Tennessee public school in a local education agency that, at the time the recipient accepts employment with the LEA, is a low-performing school system or is on warning status as defined by the commissioner or state board of education. The corporation shall also forgive the loan because of the death of the recipient or if the corporation finds that it is impossible for the recipient to teach because of the permanent disability of the recipient.

(b)

(1) The Tennessee Student Assistance Corporation, in conjunction with the state board of education and the Tennessee higher education commission, shall develop rules, regulations and criteria for the selection of support personnel employed in Tennessee's school systems and for the management of the program.

(2) All loan-scholarships shall be evidenced by notes made payable to the corporation that shall bear interest at the rate of nine percent (9%) per year beginning September 1 after completion of the program, or immediately after termination of the loan-scholarship, whichever is earlier. The loan-scholarship may be terminated by the recipient withdrawing from school or by the recipient not meeting the standards set by the corporation.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring it.